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4 Dec 50DRAFT TERMS OF REFERENCE: CHINA
(for NIE-10)The Problem:

To estimate the outcome of the struggle between Communist and Nationalist China, the role of Communist China in the Soviet power-complex, and the courses of action which Communist China will follow in relation to the USSR and the non-Communist world.

Scope:

This estimate should answer the following broad questions:

To what extent is the People's Republic of China a unified and viable nation capable of playing a well-defined role in the Communist world? Is it capable of eliminating effective opposition within China? Is it capable of early destruction of the KMT regime on Formosa by military attack, subversion or otherwise?

What are Communist China's objectives? To what extent are China's objectives identical with Soviet-Communist objectives?

If those objectives are not identical, does China have either the propensity or the capability to follow an independent course of action? What are the most likely points of disagreement between Communist China and the USSR? Even if these disagreements do not bring about a Soviet-Chinese break, will they weaken ties between the two regimes?

How far can Communist China and the USSR go in making a common cause? What are the factors which underly their joint policies? What specific courses of action can they be expected to follow jointly?

Suggested Outline:

- I. Capabilities of the Chinese Communist regime.
 - A. Political composition.
 1. Ascendant or dominant influences in government.
 2. Role and political orientation of armed forces and political police.
 - B. Internal stability.
 1. Extent of pacification of opposition forces within mainland China.
 2. Effectiveness of internal security mechanisms.
 3. Immediate economic problems and effect on political stability.
 - C. Prospects of securing Formosa.
 1. Chinese Nationalist military capabilities.
 2. Extent of defection or subversion on Formosa.
 3. Communist capabilities for amphibious assault.
 4. Prospects for continued and effective US protection of Formosa.
 5. ~~Probable outcome and timing of UN solution of Formosa question.~~ *Prospects for*
 - D. Immediate military capabilities, especially capabilities to execute campaigns in peripheral areas (Korea, Japan, Philippines, Southeast Asia and Indonesia, India).
 - E. Economic and political factors which enlarge or limit Chinese Communist capabilities.
 1. Role of overseas Chinese.
 2. Effectiveness of pressure from other Asian governments.
 3. Vulnerability to economic warfare.
 4. Etc.

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F. Conclusions as to extent of ability of China to play major aggressive role in Soviet power-complex.

II. Communist China's objectives.

- A. Aims of Chinese Communism as exemplified in actions and writings prior to success of revolution.
- B. Objectives which emerge from internal and external policies since success of revolution.
- C. Relation of above to Soviet objectives.
 - 1. Those which are identical with or similar to those of USSR.
 - 2. Those which appear at variance with or in conflict with Soviet objectives.

III. Possibilities of conflict between China and USSR.

- A. Capabilities of China for pursuing independent course of action.
 - 1. Control over internal instruments of power.
 - 2. Degree of economic independence of USSR.
 - 3. Possibilities of outside aid.
- B. Conditions under which China might choose to pursue an independent or anti-Soviet course of action.
- C. Developments which would weaken USSR-Chinese ties without promoting open break.
- D. Degree to which USSR would be willing to adjust differences in interest of maintaining partnership.
- E. Conditions or developments which would tend to strengthen Chinese ties with the USSR.
- F. Conclusions as to likelihood of joint policy or conflict.

IV. Joint USSR-China policies likely to be followed in 1951-52.

- A. In Korea.
- B. Toward Japan.
- C. In Southeast Asia.
- D. Toward India and other middle-of-road powers.
- E. In East-West power struggle generally.

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